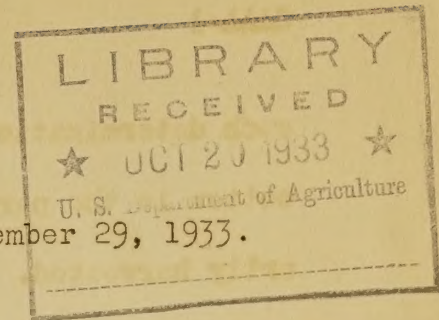


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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

CAAA-1

September 29, 1933.



R. G. Burwell, County Agent of Willacy County, Texas, has submitted for consideration the question whether it is permissible for producers of cotton to plant onions and broom corn on acreage taken out of cotton production in accordance with an agreement entered into under the provisions of the Agricultural Adjustment Act of May 12, 1933, Public No. 10, 73d Congress.

Section 6(c) of the above cited act stipulates that an agreement to curtail cotton production shall provide that the cotton producer shall not use the land taken out of cotton production for the production for sale, directly or indirectly, of any other nationally produced agricultural commodity or product. Pursuant to said requirement there was reserved to cotton producers in article 11 of the cotton contract the right to plant the acreage taken out of cotton production, provided the same is planted solely for the production of soil-improvement or erosion-preventing crops or food or feed crops for home use.

The contracts entered into with cotton producers up to the present time are applicable only to cotton production in 1933, and it was not contemplated thereby to prohibit the planting of such acreage with revenue producing or money crops after the end of the 1933 cotton season. Accordingly, it must be held that onions and broom corn, being money crops, may be planted on acreage taken out of cotton production only after the termination of the cotton season. The responsibility of determining the termination of the cotton season is primarily that of the county agent, and in making

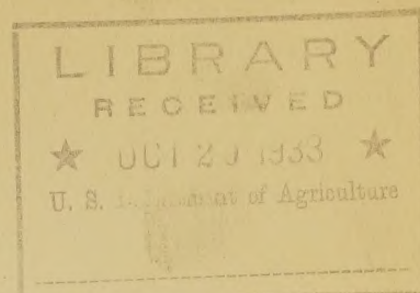
such determination the county agent should be governed by the time when all cotton in the particular section of the county involved is usually or ordinarily harvested.

(Signed) JOHN B. PAYNE

Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



CAAA-2

September 29, 1933.

There is for consideration the question whether payment is authorized under the contract entered into with Jno. M. Edge, 72-016-1202, DeSoto County, Louisiana, by the terms of which Mr. Edge was obligated to take out of production fifty acres of cotton planted in 1933.

In the execution of the certificate of performance the above named producer certified that the entire cotton crop on his farm had been destroyed by flood after submitting his offer to reduce his cotton acreage for 1933. The Agricultural Adjustment Act of May 12, 1933, Public No. 10, 73d Congress, under authority of which the contract in question was entered into, has for its purpose, inter alia, the reduction of the 1933 cotton production in America. Said reduction was to be accomplished by the destruction of all the cotton on the acreage specified in the cotton reduction agreement.

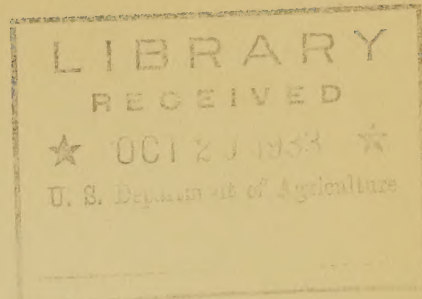
The destruction of cotton reduction acreage by flood or storm accomplishes the purpose sought by the Agricultural Adjustment Act and, therefore, it must be held that payment is authorized for the whole or any part of the acreage covered by the cotton contract so destroyed.

(Signed) JOHN B. PAYNE

Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



CAAA-3

September 29, 1933.

E. D. Alexander, Special County Agent of Dooly County, Georgia, has submitted for consideration his request that all checks for cotton reduction acreage in said county be drawn jointly in favor of the producers and lienors.

The request is based upon the declaration of the county agent that he had an understanding with the various producers in Dooly County that in cases where lienors were specified in a producer's offer the check would be drawn jointly in favor of the producer and the lienors even though said lienors had signed the consent provision of the cotton contract.

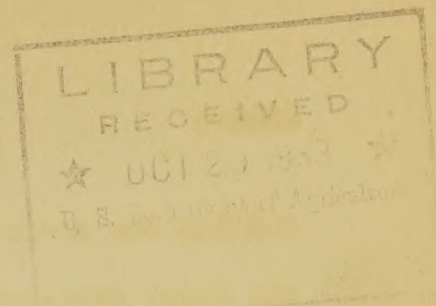
In view of the declared understanding existing between the county agent and the producers, all checks for cotton reduction acreage in Dooly County, Georgia, will be drawn jointly in favor of said producers and lienors.

(Signed) JOHN B. PAYNE

Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



CAAA-4

September 29, 1933.

There is for consideration the sufficiency of the consent executed by various parties alleged to have an interest in the 280 acres of cotton which Pete F. Williams, 65-014-242, Coahoma County, Mississippi, was obligated to take out of production under the terms of an agreement entered into under authority of the Agricultural Adjustment Act of May 12, 1933, Public No. 10, 73d Congress.

An examination of the above named producer's original offer to reduce his 1933 cotton acreage discloses that under article 3 thereof said producer indicated liens on his cotton crop in favor of the Regional Agricultural Credit Corporation of Jackson, Mississippi, and the Prudential Insurance Company of Memphis, Tennessee. The consent provision of the cotton reduction contract is signed by the Prudential Insurance Company and various other parties, the nature of whose interest in the crop is not disclosed, but there is no witness to any of the signatures.

Good accounting procedure undoubtedly requires that the signature of each party signing the consent be witnessed, but in view of the existing emergency and the fact that to exact such witnesses would delay the making of cotton payments in a number of cases, it is concluded not to require witnesses to the consenting signatures in this and similar cases now on file in this office. It may be observed that in this case it would be most difficult, if not impossible, at this time to secure such witnesses.

If there appears any irregularity in the signature of any party

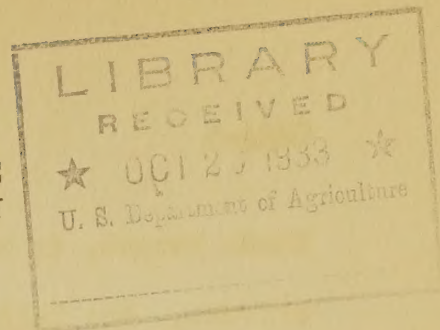
signing the consent provision, the particular case should be submitted to the Legal Advisory Committee of the Agricultural Adjustment Administration for decision.

(Signed) JOHN B. PAYNE

Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



CAAA-5

September 29, 1933.

V. E. Hafner, County Agent of Childress County, Texas, has requested instructions whether he has authority to withhold delivery of a check drawn in favor of a producer in payment of cotton reduction acreage when it develops prior to delivery of the check that certain liens existed on the 1933 cotton crop of said producer which were not disclosed in his accepted cotton reduction offer.

Payments for cotton reduction are made by the Disbursing Clerk of the Department of Agriculture and in order to facilitate such payments it was administratively deemed advisable after said Disbursing Clerk has drawn checks to forward them to the various county agents for delivery by the latter to the producers in their respective counties. These payments are out of the public funds in the hands of the Disbursing Clerk of the Department of Agriculture, and a county agent in delivering the checks must be regarded as acting as an agent of said Disbursing Clerk in making such payments.

It has long been settled that so long as money remains in the hands of a Federal disbursing officer, it is as much the money of the United States as if it had not been drawn from the United States Treasury. Consequently, an attachment cannot be enforced against public money in the hands of a disbursing officer of the Government and he is authorized to pay the Government's obligations without regard to such attempted levy. Until paid over by the agent of the Government to the person entitled to it, the

funds cannot, in any legal sense, be considered a part of said person's effects. See Buchanan v. Alexander, 4 How. 20; 1 Comp. Dec. 171. It necessarily follows that the same rule would apply to an authorized agent of a disbursing officer of the Government. Furthermore, there is no privity of contract between the Government and the alleged lienors, and the Government cannot undertake to act as a collecting agency for the creditors of a person to whom the Government is indebted. The funds of the Government are appropriated for a specific purpose and to divert such funds to the payment of private obligations may defeat the purposes for which the money was appropriated.

In view of the foregoing, it must be held that there is no authority for a county agent to withhold delivery of a check issued in favor of a producer and that said check must be delivered to the person or persons in whose favor it is drawn, unless specifically directed otherwise by this office in a particular case.

(Signed) JOHN B. PAYNE

Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



CAAA-6

September 29, 1933.

There is for consideration the question whether a producer may withdraw his cotton reduction offer prior to receipt by him of the formal notice of acceptance thereof where all of that portion of said producer's 1933 cotton crop not covered by his offer has been totally or partially destroyed by flood.

It is alleged that not to permit a withdrawal of an offer in such a case and to require the destruction of that portion of the cotton crop covered by the offer would result in the producer having little or no cotton left. In enacting the Agricultural Adjustment Act, Public No. 10, 73d Congress, approved May 12, 1933, the Congress intended to aid cotton producers by reducing the cotton production in America. There is nothing in said act or in the cotton reduction offer which subjects a cotton producer's entire crop to destruction. In a situation such as this, there undoubtedly will be taken out of production as much, if not more, cotton than would be under the producer's offer of reduction.

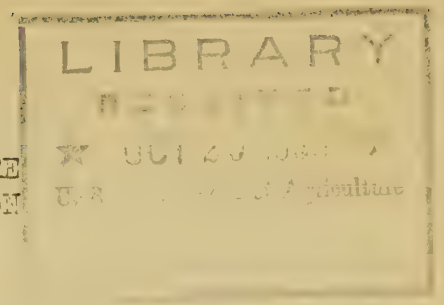
In view of the fact that the objective of the act of May 12, 1933, will be wholly or substantially accomplished in these cases without cost to the United States, it is concluded to permit producers to withdraw their offers under such circumstances, provided the producer's request for withdrawal is concurred in or recommended by the county agent.

(Signed) JOHN B. PAYNE

Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



CAAA-7

September 29, 1933.

The local and county committees of Nueces County, Texas, requested that the Secretary of Agriculture accept a number of offers on the basis of a cash benefit payment based upon a certain estimated yield per acre and a further compensation of cotton option grounded upon a different and larger estimated yield per acre.

The evidence disclosed that the offers in question were submitted and acted upon in the early days of the cotton acreage program; that committees functioned without definite information concerning requirements with respect to offers; that cotton in Nueces County at that time was fully matured and ready for picking; that immediate action was imperative; and that, acting upon available information, producers and committees agreed upon the basis of compensation above mentioned. The evidence also disclosed that the smaller estimated yield per acre was entered by the producer and committee under sections 2 and 3 of the offers in question, the larger estimated yield being entered under No. 2 of section 11.

It was noted that the statement and request in question had the concurrence of the county agent, the county committee, and the chairman of each local committee. There was considered also a statement by Mr. Miller, Assistant to Mr. Cobb, Chief of the Cotton Section, that the concensus of opinion of all parties concerned with the investigation of this matter favored payment in accordance with the original agreements.

The above facts considered, it was concluded by the Legal Advisory Committee, Agricultural Adjustment Administration, that the producers and committees acted in good faith; that it was the intention of all parties that the producer be compensated by a cash benefit grounded upon the smaller estimated yield and allowed option cotton based upon the larger estimated yield; that when the offers were submitted it was possible to determine the production per acre; that the smaller estimated yield per acre in fact was less than actual production and placed at the lower figure to come within range of the county's five year yield; and that the larger estimated yield was based upon actual yield.

In view of all the facts and circumstances, it has been decided by the Legal Advisory Committee, Agricultural Adjustment Administration, that the Secretary of Agriculture will compensate producers concerned in accordance with the original agreements between the latter and their committees.

(Signed) JOHN B. PAYNE

Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

CAAA-8

September 29, 1933.

There are for consideration questions pertaining to the procedure to be followed in the issuance of checks under cotton reduction contracts entered into with (1) Raymond M. Gage, 73-003-1185, Atoka County, Oklahoma; (2) Lemuel H. Robertson, 65-078-1611, Union County, Mississippi, and (3) Morton C. E. Jackson, 71-028-2528, Greene County, Arkansas.

The questions presented in the above order are as follows:

- (1) Should an interested party be included as a payee where said interested party has executed the consent on Form 100 of the Performance and Certification (Sheet B), but has not executed the consent provision in the offer?
- (2) Should an interested party be included as a payee where said interested party has executed the consent provision in the offer, but has not executed the consent on Form 100 of the Performance and Certification (Sheet B)?
- (3) Should an interested party be included as payee where said interested party has executed both the consent provision in the offer and the consent on Form 100 of the Performance and Certification (Sheet B)?

By the execution of the consent on Form 100 the interested party agreed that the Secretary of Agriculture or his agents may deal with the producer as if he were the sole party having interest in the cotton reduction acreage. Accordingly, question 1 is answered in the negative.

The consent provision in the offer contains a provision that the Secretary of Agriculture or his agents may deal with the producer as if he were the sole party having interest in said cotton land or crop and an interested party in executing such consent agreed to said provision. Therefore, question 2 is also answered in the negative.

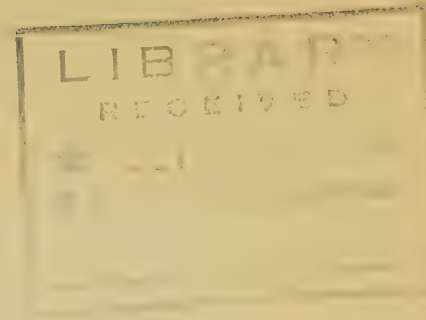
The procedure to be followed in the situation outlined in question 3 should be governed by the answers to questions 1 and 2.

(Signed) JOHN B. PAYNE

Comptroller.

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AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



CAAA-9

September 29, 1933.

There is for consideration a question as to the procedure to be followed in the audit of tobacco acreage reduction contracts where the following circumstances exist:

- (1) A producer dies after the submission of his offer, but before acceptance thereof, performance, and payment.
- (2) A producer dies after acceptance of his offer, but before performance and payment.
- (3) An administrator or legal guardian signs the offer as producer.

In a case involving any of the above indicated circumstances it will be necessary that there be submitted a certified copy of letters of administration or a certified copy of the court order appointing the guardian, together with evidence that the administrator or guardian is still acting in such capacity.

Payment will not be made in the audit of such a case, but it will be submitted to the Agricultural Adjustment Administration for settlement as a claim.

(Signed) JOHN B. PAYNE
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



CAAAA-10

September 29, 1933.

There is for consideration the question whether temporary employees of the Agricultural Adjustment Administration are entitled to annual or sick leave with pay.

The general rule is that leave of absence with pay may not be granted to employees serving under temporary appointments, that is, employees serving under appointments of a definite duration. See 3 Comp. Gen. 382; 4 id. 650; 5 id. 903; 6 id. 175, 266, 275; A-50911, September 20, 1933. Temporary employees of the Agricultural Adjustment Administration come within said rule and, therefore, are not entitled to leave of absence with pay, either sick or annual, so long as they continue in such a status.

(Signed) JOHN B. PAYNE

Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

CAAA-11

September 29, 1933.

There has been submitted the question whether the signing of only a firm or corporation name to the consent provision of a cotton reduction contract and/or Form 100 of the Performance and Certification (Sheet B) is sufficient where there is no evidence of who signed the firm or corporation name.

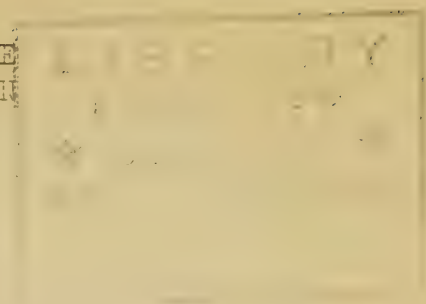
In view of the existing emergency, the signing of only a firm or corporation name to the consent provision in the offer and/or Performance and Certification will be accepted, if properly witnessed, in all cotton reduction cases now on file in this office. It is to be noted that this acceptance is limited to cotton reduction cases now on file in this office and as to all other cases it will be necessary that the member of the firm or officer of the corporation signing the firm or corporation name affix his signature as well.

(Signed) JOHN B. PAYNE

Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



CAAA-12

October 3, 1933.

Raymond C. Smith, District Tobacco Agent at Dayton, Ohio, has requested instructions as to the procedure to be followed where a tobacco producer owns two farms, on one of which there was grown in 1931 and 1932 the type of tobacco necessary to make the producer eligible for benefits under the Agricultural Adjustment Act of May 12, 1933, as amended, while on the other there was no tobacco grown in said years.

In order for a producer to be eligible to make application for benefits under the above referred to act, the tobacco acreage reduction contract requires tobacco of the specified type or types to have been grown in 1931 and 1932 upon the land farmed by said producer in 1933. It is obvious that the 1933 tobacco crop on the land on which tobacco was grown in 1931 and 1932 may be made the subject of a contract and the producer is entitled to the benefits arising therefrom.

Paragraph 10 of the tobacco contract provides as follows:

"If any farm other than the one covered by this contract is owned or operated by the producer, such farm shall be covered by a like contract if tobacco is grown thereon, and a breach of any of the terms and conditions of such like contract shall be ground for termination of this contract by the Secretary."

The quoted paragraph has reference to any other farm owned by the same producer on which tobacco was grown in 1931 and 1932. Otherwise it would be impossible to cover said other farm by a like contract. Furthermore, if no tobacco had been grown on the other farm in these two years there would be no means of determining the base acreage referred to in paragraphs 2 and 3.

Accordingly, it must be held with respect to the 1933 crop on the farm on which no tobacco was grown in 1931 and 1932 that the producer is not eligible to any benefits under the act.

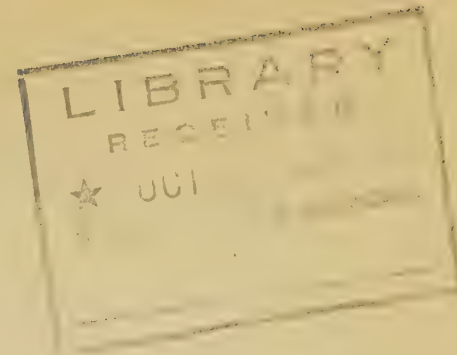
It is only logical that if any other farm of a producer cannot be covered by a like contract there could not arise any breach of any of the terms and conditions of such like contract and, therefore, there would not exist any ground for termination by the Secretary of Agriculture of the contract covering the farm on which tobacco was grown in 1931 and 1932.

In view of the foregoing, it is concluded that the contract covering the farm on which tobacco was grown in 1931 and 1932 is valid and should be performed, and that any other farm of the same producer on which no tobacco was grown in these years may not be covered by a like contract.

(Signed) JOHN B. PAYNE

Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



CAAA-13

October 3, 1933.

There is for consideration the failure to describe properly the entire farm, tobacco acreage, contracted acreage, etc., in the certification of performance for first payment of 1933 to George Howard, Lancaster County, Pennsylvania, under his tobacco reduction contract, serial No. 823, type 41.

It appears that numerous cases have been received in this office in which the description is inadequate. As a matter of expediency it has been concluded to accept the performance certifications of the inspectors and the community and district committees on Form T-13 in making all first payments of 1933 under tobacco acreage reduction contracts. However, before any additional payments are made under said contracts it will be necessary that all of the descriptions called for in paragraph 16 of Form T-13 be indicated accurately and in detail.

All tobacco reduction contracts, regardless of whether they have been performed or terminated prior to performance, will be forwarded to the Agricultural Adjustment Administration for numbering and filing. Those contracts which have been properly terminated or canceled will have appropriate notation of such action placed thereon prior to filing.

(Signed) JOHN B. PAYNE

Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

CAAA-14

October 3, 1933.

There is for consideration a question as to the authority of Fred B. Smith to sign the consent provision of cotton reduction contract 65-070-2305 and Form 100 of the Performance and Certification (Sheet B) as the agent of Mrs. Grace Rainey Rogers, an alleged interested party in the cotton acreage covered by said contract.

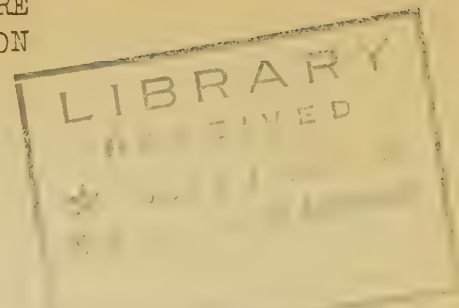
In order to avoid delay in making payments it has been concluded with respect to all cotton cases now in this office to accept the signature of an agent of an interested party to the consent provision in the offer and/or Performance and Certification, provided such signature is properly witnessed. In all other cases where the check is not to be drawn jointly in favor of the producer and interested party, it will be necessary that there be submitted to this office written evidence, properly signed and acknowledged by the interested party, of the authority of the agent or attorney in fact to sign for the real party in interest.

(Signed) JOHN B. PAYNE

Comptroller.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington D. C.

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CAAA-15

October 4, 1933.

There has been presented for consideration the question of the right of the Agricultural Adjustment Administration, Department of Agriculture, to employ commercial auditors and public accountants either on the per diem basis or under contract in connection with the audit of books of distributors in the Chicago milk shed.

Section 5 of the act of April 6, 1914, 38 Stat. 335, provides as follows:

"That no part of any money appropriated in this or any other Act shall be used for compensation or payment of expenses of accountants or other experts in inaugurating new or changing old methods of transacting the business of the United States or the District of Columbia unless authority for employment of such services or payment of such expenses is stated in specific terms in the Act making provision therefor and the rate of compensation for such services or expenses is specifically fixed therein, or be used for compensation of or expenses for persons, aiding or assisting such accountants or other experts, unless the rate of compensation of or expenses for such assistants is fixed by officers or employees of the United States or District of Columbia having authority to do so, and such rates of compensation or expenses so fixed shall be paid only to the person so employed."

In construing said section of the act the Comptroller General of the United States in a decision dated August 29, 1921, 1 Comp. Gen. 93, held, quoting from the syllabus:

"Contracts for employment of accountants and assistants in connection with installation of a cost-keeping system in a Government-owned arsenal, where such employment is not expressly authorized by law, are illegal, and constitute no basis for a claim against the Government, the provisions of section 5 of the act of April 6, 1914, 38 Stat. 335, having prohibited the use of any appropriation for compensation or payment of expenses of accountants or other experts employed for similar work and their assistants, unless authority for employment of such services or payment of such expenses is stated in specific terms in the act making provision therefor."

That decision was rendered in connection with payments made under a contract which provided that the contractors should furnish the necessary services for making a preliminary survey of the cost-keeping system at Watertown Arsenal, and should make recommendations for devising the cost-keeping system and for the installation and putting such system into full operation, as the same had been approved by the contracting officer.

In another decision rendered by the Comptroller General on November 8, 1921, 1 Comp. Gen. 252, it was held, quoting from the syllabus:

"The prohibition in act of April 6, 1914, 38 Stat. 335, as to the use of appropriations for employment of accountants or other experts to inaugurate new or change old methods of business in Government offices unless provision be made in specific terms, is applicable to accountants employed to determine whether changes are necessary or desired, whether or not they actually inaugurate or effect a change."

It appeared in that case that on May 13, 1920, the Secretary of War addressed the office of the chief of manufacture directing "a thorough survey of the cost accounting and determination of overhead at one of the arsenals with a view to ascertaining whether or not changes are necessary to insure accuracy in estimating and final determination of cost." It appeared further that on May 18, 1920, the Chief of Ordinance addressed Haskens & Sells advising them that it was desired to secure the services of a district manager and such assistants as might be necessary in connection with the work to be done by the firm. A procurement order for the work was issued, the services were performed, and partial payment was made. A claim for the balance alleged to be due for services rendered was disallowed. See also in this connection 5 Comp. Gen. 608.

Section 10(a) of the Agricultural Adjustment Act of May 12, 1933, authorizes the Secretary of Agriculture to appoint such officers, employees, and experts as are necessary to execute the functions vested in him. The language employed, however, contemplates the direct hire of personal services and is not sufficiently specific to overcome the prohibition contained in the act of April 6, 1914. In other words, in order to have made available appropriated funds for the purpose of hiring public accountants by contract or on a per diem basis, it would have been necessary for the Congress to have expressly authorized such employment.

(Signed) JOHN B. PAYNE

Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.

CAAA-16

October 11, 1933.

Henry L. Alsmeyer, County Agent of Cameron County, Texas, has requested instructions as to the disposition to be made of cotton benefit check issued in favor of Wayne W. Howes, San Benito, Cameron County, Texas, under cotton reduction contract 74-031-68, entered into under authority of the Agricultural Adjustment Act of May 12, 1933.

The evidence discloses that on July 11, 1933, Wayne W. Howes submitted to the Secretary of Agriculture an offer to take out of production in 1933 five acres of cotton on the farm rented and operated by him for a cash payment of \$11.00 an acre. Under article 3 of said offer the producer indicated that his 1933 crop was subject to a lien in favor of his landlord, C. A. Carpenter. The consent provision in the producer's offer is signed by C.A. Carpenter, as an interested party. This offer was accepted by the Secretary of Agriculture and there thus resulted a binding contract between the United States and the producer. See United States v. New York and Porto Rico Steamship Company. 239 U. S. 88. Also, that the Performance and Certification (Sheet A) in this case was signed "Wayne W. Howes by C. A. Carpenter, owner."

It is reported that Wayne W. Howes, the producer and tenant, has failed to pay any water charges during the past year and that suit has been instituted against the producer by C. A. Carpenter, the landlord; that the Performance and Certification Sheet was signed by C. A. Carpenter pursuant to a court order, and that the court has ordered the county agent to deliver the benefit check drawn in favor of the producer to the landlord.

Payments for cotton reduction are made by the Disbursing Clerk of the Department of Agriculture and in order to facilitate such payments it was administratively deemed advisable after said Disbursing Clerk has drawn checks to forward them to the various county agents for delivery by the latter to the producers in their respective counties. These payments are out of public funds in the hands of the Disbursing Clerk of the Department of Agriculture, and a county agent in delivering the checks must be regarded as acting as an agent of said Disbursing Clerk in making such payments.

It is well established that so long as money remains in the hands of a Federal disbursing officer, it is as much the money of the United States as if it had not been drawn from the United States Treasury. Until paid over by the agent of the Government to the person entitled to it, the funds cannot, in any legal sense, be considered a part of said person's effects. Consequently, an attachment cannot be enforced against public money in the hands of a disbursing officer of the Government and he is authorized to pay the Government's obligations without regard to such attempted levy. See Buchanan v. Alexander, 4 How. 20; 1 Comp. Dec. 171; 23 id. 679. The Government cannot undertake to act as a collecting agency for the creditors of a person to whom the Government is indebted. A disbursing officer of the Government is authorized to make payments only to creditors of the Government, inasmuch as the funds of the Government are appropriated for specific purposes and to divert such funds to the payment of private obligations may defeat the purposes for which the money was appropriated. See 1 Comp. Dec. 171; 22 id. 350. It necessarily follows that the same rule would apply to an authorized agent of a disbursing officer of the Government.

In executing the consent provision in the present case the landlord agreed that the Secretary of Agriculture or his agents may deal with the producer as if he were the sole party having interest in the cotton land or crop covered by said producer's offer. Neither the offer nor the Performance and Certification Sheet stipulated that the check was to be drawn jointly in favor of the producer and the interested party. Therefore, the landlord, as an interested party, is estopped from now denying the right of the Secretary of Agriculture to so deal with the producer.

In view of the foregoing, it must be concluded that there is no authority for the county agent to deliver the check in question to any person other than the payee thereof, Wayne W. Howes.

In cases of this character the inability to enforce an attachment against Government funds and to order the disposition of such funds should be brought immediately to the attention of Honorable Jerome N. Frank, General Counsel of the Agricultural Adjustment Administration, who will advise the county agent how to proceed.

(Signed) JOHN B. PAYNE
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.

CAAAA-17

October 11, 1933.

There is for consideration the question as to what procedure shall be followed in connection with the refusal of Frank Ciborowski, Franklin County, Massachusetts, to destroy the tobacco acreage covered by his tobacco acreage reduction contract, serial No. 1115, type 51.

The evidence discloses that the above named producer owns a farm in the Town of Whately, Franklin County, Massachusetts, and that on July 27, 1933, he submitted an offer to the Secretary of Agriculture in which he agreed to reduce his tobacco acreage. Said offer was accepted August 28, 1933, by a representative of the Secretary of Agriculture. In the preparation of the Certification of Performance for First Payment of 1933 (Form T-13) the inspectors and the community committee certified that said producer refused to destroy the tobacco necessary to complete the contract and that he had harvested his entire tobacco crop.

In article 10 of the cotton reduction contracts it is provided that the Secretary shall have the right, through any person designated under his authority, of ingress or egress to and from the land embraced in the offer, and may at his discretion take such action as he may see fit to take out of cotton production the acreage covered by the offer by any means at his disposal. In a number of instances the Secretary of Agriculture has found it necessary to exercise the right vested in him under article 10 of the cotton contract and has actually sent representatives on lands for the purpose of destroying the cotton. In such cases any and all cost incident to the exercise of this

right shall be deductible from the benefit payments payable to the producer unless payment of such cost is made by the producer on or before December 1, 1933. See Cotton Regulations, Series 1, Supplement 1.

Unlike the cotton reduction contract, the tobacco contract does not provide that in case of noncompliance by the producer the Secretary of Agriculture shall have the right, through any agent, to take out of production the tobacco acreage covered by the contract, nor does it contain a stipulation for the payment of damages to the United States in the event of a breach thereof by the producer. However, paragraph 15 of the tobacco contract specifies that noncompliance by the producer with any of the terms thereof shall constitute a breach and shall be grounds for its termination by the Secretary of Agriculture.

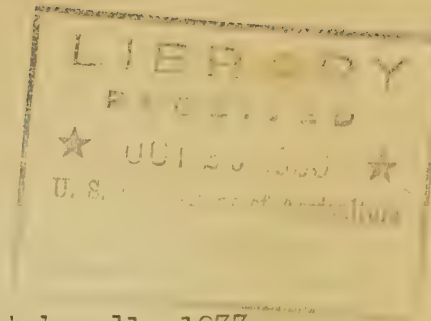
It appears that three procedures may be followed. First, a mere filing of the contract papers without taking any action whatever thereon and thereby permitting the producer to breach his contract. Second, the bringing of a suit for specific performance. Third, where it is impossible to obtain specific performance due to the fact that the producer harvested his crop, proceedings may be instituted to enjoin said producer from disposing of the crop to his benefit. It appears that the first procedure is not advisable, inasmuch as it may tend to encourage refusal on the part of producers to cooperate in future Government programs. Therefore, it is the opinion of the Legal Advisory Committee that either the second or third procedure should be adopted, depending upon the circumstances in the case.

(Signed) JOHN B. PAYNE

Comptroller.

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63-100

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.



CAAA-13

October 11, 1933.

There has arisen a question as to the use of Treasury Department form of power of attorney (Form 6569) for the collection of checks drawn in payment of cotton acreage reduction.

It is contemplated that some producers entitled to cotton reduction benefits will execute those powers of attorney and said powers will then be turned over to the county agents so that those in whose favor they are executed may receive, endorse, and collect the checks drawn to the order of such producers.

Section 3477, Revised Statutes (title 31, section 203, U. S. Code), provides as follows:

"All transfers and assignments made of any claim upon the United States, or of any part or share thereof, or interest therein, whether absolute or conditional, and whatever may be the consideration therefor, and all powers of attorney, orders, or other authorities for receiving payment of any such claim, or of any part or share, thereof, except as provided in section 204 of this title, shall be absolutely null and void, unless they are freely made and executed in the presence of at least two attesting witnesses, after the allowance of such a claim, the ascertainment of the amount due, and the issuing of a warrant for the payment thereof. Such transfers, assignments, and powers of attorney, must recite the warrant for payment, and must be acknowledged by the person making them, before an officer having authority to take acknowledgments of deeds, and shall be certified by the officer; and it must appear by the certificate that the officer, at the time of the acknowledgment, read and fully explained the transfer, assignment, or warrant of attorney to the person acknowledging the same. The provisions of this section shall not apply to payments for rent of post-office quarters made by postmasters to duly authorized agents of the lessors."

Payments for cotton reduction benefits are not made pursuant to a warrant, but are made by checks drawn by the Disbursing Clerk of the Department of Agriculture. In cotton reduction cases the issuance of a check is equivalent

to the issuance of a warrant. See 4 Comp. Gen. 361. Therefore, in order for a power of attorney to be valid in these cases it is necessary that said power shall be (1) freely made and executed in the presence of at least two attesting witnesses, (2) after the allowance of the benefit, (3) the ascertainment of the amount due, (4) the issuing of a check in payment thereof, (5) a recitation of the check in payment, and (6) the power must be acknowledged by the person making it, before an officer having authority to take acknowledgments of deeds, and shall be certified by the officer.

It has been uniformly held by the accounting officers of the Government that payment may not be made on a pension or a disability compensation check under a general power of attorney, such as Treasury Department Form 6569, given by the pensioner or beneficiary. See 22 Comp. Dec. 393; 4 Comp. Gen. 361; A-3551, March 21, 1925. Unlike pension or disability compensation payments the right to cotton reduction benefits does not cease with the death of the producer payee. However, the Agricultural Adjustment Act of May 12, 1933, has for its purpose relieving the existing national economic emergency by, inter alia, increasing the purchasing power of producers. This purpose may be accomplished primarily by placing the benefit check and its proceeds directly in the hands of the producer. Such was the purpose of the pension and disability compensation laws.

It is to be noted that the Congress in enacting the above quoted section sought to prevent duress and the perpetration of fraud by expressly stipulating that the power of attorney must be freely made and that it must appear by the certificate that the officer, at the time of the acknowledgment, read and fully explained the transfer, assignment, or warrant of attorney to the

person acknowledging the same.

In view of the foregoing, it must be held that delivery of a cotton benefit check may be made only under a specific power of attorney executed in accordance with the requirements of section 3477, Revised Statutes, and not under a general power of attorney as is used on Treasury Department Form 6569. From the standpoint of good accounting even specific powers of attorney are more or less objectionable and, therefore, the use of a power of attorney in connection with cotton reduction payments should be discouraged.

(Signed) JOHN B. PAYNE

Comptroller.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.

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CAAA-1911

October 11, 1933

There is for consideration the failure of Abram M. Sensenich, Lancaster County, Pennsylvania, to indicate whether the farm covered by his tobacco acreage reduction contract, serial No. 411, type 41, is owned or rented by him.

On July 31, 1933, the above named producer submitted an offer to reduce the tobacco acreage on a farm located one mile west of Lititz on the Lititz-Manheim Road, Warwick Township, Lancaster County, Pennsylvania. The offer does not disclose whether said farm is owned or rented by the producer, nor does it reveal any party having an interest in either the farm or tobacco crop thereon. This offer was accepted by a representative of the Secretary of Agriculture on August 31, 1933.

The tobacco contract form requires that the producer indicate thereon, by striking out the word not applicable, whether the farm covered thereby is owned or rented by the producer. The instructions to field workers for sign-up campaigns in New England, New York, Pennsylvania, Ohio, Indiana, Wisconsin, and Minnesota (Form T5) stipulates on page 7 as follows:

"Any party or parties, other than the owner and/or operator of the farm, who, during the term of the contract, hold(s) any lien or other claim upon any part or all of the land or crop(s) upon which the agreement is made must sign the statement of consent. This statement of consent enables the owner and/or operator to enter into the contract with the Secretary of Agriculture and permits the Secretary to deal with the owner and/or operator as if he were the sole party having interest in said land or crop(s).

"If a contract is signed by the owner of a farm and a tenant or lessee has a claim during the term of the contract upon the land or crop(s) covered by such contract, the statement of consent must be signed by such tenant or lessee. Similarly, if a contract is executed by a tenant or lessee and, if the owner of the farm has any claim during the term of the contract upon the

land or crop(s) covered by such contract, the statement of consent must be signed by the owner."

In view of the above indicated requirements, it will be necessary in this and similar cases to secure through the District Tobacco Agent evidence showing whether the farm is owned or rented by the producer. If in securing such evidence it develops that liens exist on the farm or crop involved in the contract, it will also be necessary that the statement of consent be signed by the lienor or lienors. In the event of the refusal of the lienor or lienors to sign the consent, a trustee should be designated to receive the benefit payment for the producer and lienor or lienors.

(Signed) JOHN B. PAYNE

Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration
Washington, D. C.

CAAA-20

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There has been presented for consideration the question whether mileage and witness fees may be paid to persons subpoenaed by the Secretary of Agriculture as witnesses in connection with the revocation of licenses issued under Title 1, Part 1, of the Agricultural Adjustment Act of May 12, 1933.

Section 8 of the above referred to act provides in part as follows:

"(3) To issue licenses permitting processors, associations of producers, and others to engage in the handling, in the current of interstate or foreign commerce, of any agricultural commodity or product thereof, or any competing commodity or product thereof. Such licenses shall be subject to such terms and conditions, not in conflict with existing Acts of Congress or regulations pursuant thereto, as may be necessary to eliminate unfair practices or charges that prevent or tend to prevent the effectuation of the declared policy and the restoration of normal economic conditions in the marketing of such commodities or products and the financing thereof. The Secretary of Agriculture may suspend or revoke any such license, after due notice and opportunity for hearing, for violations of the terms or conditions thereof. Any order of the Secretary suspending or revoking any such license shall be final if in accordance with law. Any such person engaged in such handling without a license as required by the Secretary under this section shall be subject to a fine of not more than \$1,000 for each day during which the violation continues.

"(4) To require any licensee under this section to furnish such reports as to quantities of agricultural commodities or products thereof bought and sold and the prices thereof, and as to trade practices and charges, and to keep such systems of accounts, as may be necessary for the purpose of part 2 of this title."

The following provisions are contained under section 10 of the same act:

"(c) The Secretary of Agriculture is authorized, with the approval of the President, to make such regulations with the force and effect of law as may be necessary to carry out the powers vested in him by this title, including regulations establishing conversion factors for any commodity and article processed therefrom to determine the amount of tax imposed or refunds to be made with respect thereto. Any violation of any regulation shall be subject to such penalty, not in excess of \$100, as may be provided therein.

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"(h) For the efficient administration of the provisions of part 2 of this title, the provisions, including penalties, of sections 8, 9, and 10 of the Federal Trade Commission Act, approved September 26, 1914, are made applicable to the jurisdiction, powers, and duties of the Secretary in administering the provisions of this title and to any person subject to the provisions of this title, whether or not a corporation: Hearings authorized or required under this title shall be conducted by the Secretary of Agriculture or such officer or employee of the Department as he may designate for the purpose. The Secretary may report any violation of any agreement entered into under part 2 of this title to the Attorney General of the United States, who shall cause appropriate proceedings to enforce such agreement to be commenced and prosecuted in the proper courts of the United States without delay."

Section 10(h), supra, stipulates that sections 8, 9, and 10 of the Federal Trade Commission Act of September 26, 1914, 38 Stat. 717, shall be applicable to the jurisdiction, powers, and duties of the Secretary of Agriculture in administering the provisions of Title 1 of the act of May 12, 1933. These sections of the Federal Trade Commission Act provide in part as follows:

"Sec. 8. That the several departments and bureaus of the Government when directed by the President shall furnish the commission, upon its request, all records, papers, and information in their possession relating to any corporation subject to any of the provisions of this Act, and shall detail from time to time such officials and employees to the commission as he may direct.

"Sec. 9. That for the purposes of this Act the commission, or its duly authorized agent or agents, shall at all reasonable times have access to, for the purpose of examination, and the right to copy any documentary evidence of any corporation being investigated or proceeded against; and the commission shall have power to require by subpoena the attendance and testimony of witnesses and the production of all such documentary evidence relating to any matter under investigation. Any member of the commission may sign subpoenas, and members and examiners of the commission may administer oaths and affirmations, examine witnesses, and receive evidence.

"Such attendance of witnesses, and the production of such documentary evidence, may be required from any place in the United States, at any designated place of hearing. And in case of disobedience to a subpoena the commission may invoke the aid of any court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence.

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"Witnesses summoned before the commission shall be paid the same fees

and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken and the persons taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

"No person shall be excused from attending and testifying or from producing documentary evidence before the commission or in obedience to the subpoena of the commission on the ground or for the reason that the testimony or evidence, documentary or otherwise, required of him may tend to criminate him or subject him to a penalty or forfeiture. But no natural person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he may testify, or produce evidence, documentary or otherwise, before the commission in obedience to a subpoena issued by it: Provided, That no natural person so testifying shall be exempt from prosecution and punishment for perjury committed in so testifying.

"Sec. 10. That any person who shall neglect or refuse to attend and testify, or to answer any lawful inquiry, or to produce documentary evidence, if in his power to do so, in obedience to the subpoena or lawful requirement of the commission, shall be guilty of an offense and upon conviction thereof by a court of competent jurisdiction shall be punished by a fine of not less than \$1,000 nor more than \$5,000, or by imprisonment for not more than one year, or by both such fine and imprisonment.

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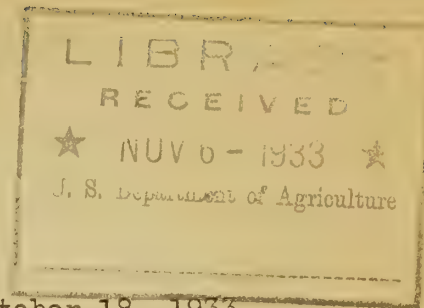
In view of the above quoted provisions of law, it must be held that the Secretary of Agriculture is without doubt authorized to subpoena witnesses in connection with the revocation of licenses issued in accordance with the Agricultural Adjustment Act and to pay such witnesses the same fees and mileage that are paid witnesses in the courts of the United States.

(Signed) JOHN B. PAYNE

Comptroller

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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration
Washington, D.C.



CAAA-21

October 18, 1933.

There is for consideration the request of the International Harvester Company of America that the benefit check to be issued under cotton reduction contract 74-244-474 be drawn jointly in favor of said company and the producer, Adolph T. Bodling.

Under date of July 25, 1933, the International Harvester Company of America executed a waiver in which it asserted an interest in the 1933 cotton crop grown by Adolph T. Bodling and consented to the making of the offer and to the performance of the conditions thereof. Said waiver stipulated that the benefit check should be paid jointly to the producer and the company. An examination of the contract in question fails to disclose that the International Harvester Company of America was designated under article 3 thereof as having a lien on the crop covered thereby, nor is the consent provision in the offer signed by said company. In letter dated October 3, 1933, addressed to the Chief of the Cotton Section, Agricultural Adjustment Administration, the above named producer acknowledged the lien of the International Harvester Company of America, but requested that said company be not included in the benefit check for the reason that the lien was on different acreage than that covered by the cotton contract and that the lien would be satisfied out of the cotton covered thereby, which was then being picked.

Before any consideration may be given an alleged lien not listed under article 3 of the cotton offer, it will be necessary that there be submitted to this office evidence establishing (1) that said lien is on the same cotton

acreage embraced within the contract, (2) that the producer acknowledges the existence of said lien, and (3) that the producer consents to the lienor being joined as a payee on the benefit check. In the absence of such evidence, no recognition may be accorded the alleged lien. It is obvious that where a benefit check is issued prior to receipt of notice of an alleged lien the matter must be considered closed so far as the United States is concerned.

In view of the evidence in the present case, it must be concluded that the alleged lien of the International Harvester Company of America may not be recognized and its request is, therefore, denied.

(Signed) JOHN B. PAYNE

Comptroller.

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Washington, D. C.

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WASHINGTON, D. C.

CAAA-22

October 20, 1933.

A question has arisen as to whether the signature of a pledgee on the Notice of Exercise of Option (Form C5A), in connection with cotton option contracts, is required to be witnessed.

Cotton option contracts are authorized by sections 6 and 7 of the Agricultural Adjustment Act of May 12, 1933. Section 221 of the National Industrial Recovery Act of June 16, 1933, amends section 7 of the Agricultural Adjustment Act by stipulating that notwithstanding the provisions of the above referred to section 6, the Secretary of Agriculture shall have authority to enter into cotton option contracts upon such terms and conditions as he may deem advisable. In connection with cotton options it was administratively deemed advisable to provide for the exercise of such an option by either the producer or the party to whom it had been pledged.

The primary purpose of a witness to a signature is to provide a means of establishing the authenticity of such signature. Form C5A specifies that settlement will be made only upon the surrender of said form signed by the producer to whom it was issued or by the pledgee to whom the option was pledged, and it appears that such surrender prior to settlement will adequately protect the interests of the United States. It also appears that the opportunity for fraud in this matter is so negligible as to make unnecessary a requirement that a pledgee's signature be witnessed. The making of benefit payments promptly is essential to assist in the relief of the declared economic emergency, and to impose needless requirements in connec-

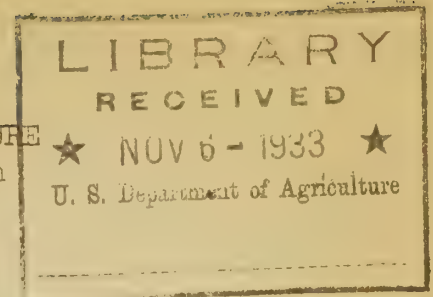
tion with such payments would undoubtedly delay the settlement of cotton option cases.

In view of the foregoing, it has been concluded to make cotton option payments without requiring a witness to the signature of a pledgee.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration
Washington, D. C.



CAAA-23

October 20, 1933.

There has been presented a question as to the procedure to be followed in making benefit payments under the Agricultural Adjustment Act of May 12, 1933, as amended, where the person or any one of the persons entitled thereto dies or becomes incompetent.

In view of the existing emergency, it has been concluded as a matter of expediency to adopt the following procedure in such cases:

(1) If a payee died testate and nominated an executor, or upon failure to nominate an executor there is appointed an administrator cum testamento annexo, payment on the benefit check drawn in favor of the deceased will be made to the executor or administrator cum testamento annexo, as such, without the necessity of submitting to this office evidence of the authority to so act. However, when such a check is presented by the executor or administrator cum testamento annexo for payment there must be attached thereto a short certificate of letters testamentary or of administration with a showing thereon whether said letters are still in effect.

(2) If a payee died intestate and there has been or will be administration upon the decedent's estate, payment on the benefit check drawn in favor of the deceased payee will be made to the administrator, as such, without submitting to this office a certified copy of letters of administration. When the check is presented by the administrator for payment it will be necessary that there be attached thereto a short certificate of letters of administration, together with a showing thereon whether the letters are still in effect.

(3) If a payee died intestate and there has not been or will not be administration upon the estate of the deceased, it will be necessary to return the check where the amount is \$100 or less to the Disbursing Clerk of the Department of Agriculture, accompanied by a concise statement of the facts involved, and settlement of the case will then be made by the Comptroller of the Agricultural Adjustment Administration in accordance with the laws of the State in which the deceased was domiciled, such as, laws pertaining to exemptions and descent and distribution.

(4) If a payee died intestate and the amount of the benefit check exceeds \$100, it will be necessary that letters of administration be applied for on the decedent's estate and that a short certificate of such letters be attached to said check when it is presented by the administrator for payment.

It is to be noted that the procedure set forth above pertains to cases in which the benefit checks have been issued. In a case where payment has not as yet been made and the circumstances therein are as indicated under 1, 2, and 4, a short certificate of letters testamentary or of administration, together with a showing whether such letters are still in effect, must be submitted to this office and the check will be drawn in favor of the executor or administrator, as such. Where payment has not been made and the circumstances are as stated under 3 the check will be drawn in favor of the person entitled thereto under the laws of the State in which the deceased was domiciled.

Payment on a benefit check drawn in favor of an incompetent payee may only be made to the legal guardian or committee of said incompetent's estate. Therefore, when such check is presented by the guardian or committee for payment there should be attached thereto a short certificate of the appointment

and qualification of the guardian or committee, together with evidence whether the appointment is still in effect. If payment has not been made in such a case the check will be drawn in favor of the guardian or committee, as such, after receipt in this office of the evidence of appointment and qualification of the guardian or committee and whether such appointment is still in effect.

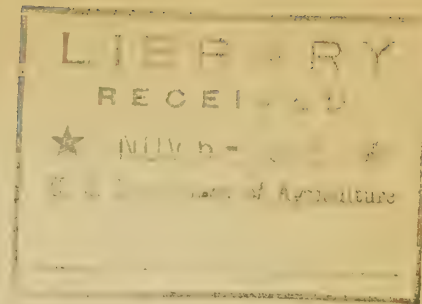
Where an officer of a State institution for the mentally afflicted is authorized by a State statute to receive and account for money due the inmates thereof who are not under guardianship or committeeship, a benefit payment due to a person who may be an inmate of the institution may be made to the officer thereof within the limits and under the conditions prescribed by the State statute.

If the death or incompetency of a producer occurs prior to performance and/or execution of the certificate of performance, the contracted acreage may nevertheless be taken out of production and the certificate of performance may be executed by the person entitled to the benefit payment as indicated herein.

(Signed) John B. Payne
Comptroller

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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration
Washington, D. C.



CAAA-24

October 21, 1933.

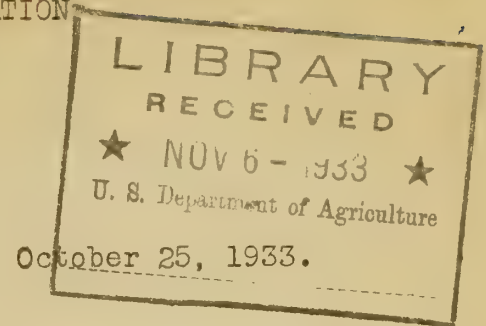
There has been presented a question as to the disposition to be made by a county agent of a cotton benefit check when the indorsements of all of the payees thereof cannot be obtained.

It appears in some cases where the benefit check has been drawn in favor of two or more persons that all required indorsements cannot be obtained thereon for the reason that one of the payees has left the locality and his present whereabouts are unknown.

Obviously, the absence of a required indorsement on a check prevents its negotiation. Therefore, if a county agent is reasonably certain that the indorsement of a payee cannot be secured on a check because of said payee's whereabouts being unknown, the check should not be delivered to any one of the other payees thereof, but it should be returned to the Disbursing Clerk of the Department of Agriculture with a statement of the facts involved. Said Disbursing Clerk will then refer the matter to the Comptroller of the Agricultural Adjustment Administration for settlement.

(Signed) John B. Payne
Comptroller.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



CAAA-25

The Principal Administrative Officer in Charge, Contract Records Section, Agricultural Adjustment Administration, has requested instructions as to the procedure to be followed where there are errors in the Application for Wheat Allotment Contract (Form W-2) and/or the Wheat Allotment Contract (Form W-3).

It is readily recognized that in some cases the base period, the average annual acreage, and/or the farm allotment indicated in the application and the proposed contract may be in error. There also may be instances where the base period, the average annual acreage, and/or the farm allotment specified in the proposed contract may differ from that specified in the application.

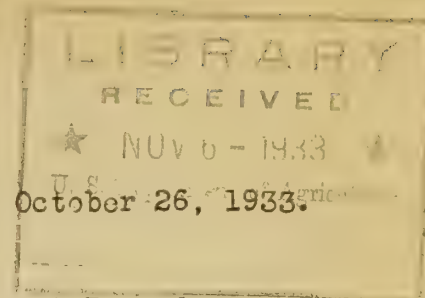
The definitions contained on Form W-2 and footnote 3 on Form W-3 clearly indicate that the base period, the average annual acreage, and the farm allotment are to be determined by the County Allotment Committee. Therefore, it is concluded that where errors in or discrepancies between the application and the proposed contract are detected prior to acceptance by the Secretary of Agriculture, the application and/or proposed contract should be returned to the Secretary of the Wheat Production Control Association of the particular county involved for correction or reconciliation of such errors. In a case where the errors or discrepancies are not detected until after acceptance by the Secretary of Agriculture, payment thereof will not be made

in the audit, but such a case will be settled as a claim.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

CAAA-26



The Principal Administrative Officer in Charge, Contract Records Section, Agricultural Adjustment Administration, has requested instructions in connection with the handling of wheat allotment contracts to be entered into under authority of the Agricultural Adjustment Act of May 12, 1933, as amended.

The questions presented in the request for instructions and the answers thereto are as follows:

"1. Is a pencil signature acceptable?"

Good accounting requires a signature to be written either with ink or an indelible pencil, but when a contract signed with a lead pencil is received it may be accepted.

"2. Must signatures be in the original?"

A carbon impression of a signature, the affixing of a signature by typewriter, or impressing a signature with a rubber stamp may be accepted only if witnessed by at least two persons whose signatures must be in the original.

"3. Is a printed signature acceptable?"

A printed signature may be accepted if it is witnessed by at least two persons whose signatures must be in the original.

"4. How many witnesses are required for a signature in the original of an owner, landlord, tenant, lien-holder, or other interested party?"

An original signature of an owner, landlord, tenant, lien holder, or other interested party need not be witnessed if the benefit check is to

be drawn to include the persons who have signed. If the check is not to be drawn to include the owner, landlord, tenant, lien holder, or other interested party of record, then there must be the signature of at least one witness to the original signature of an owner, landlord, tenant, lien holder, or other interested party.

"5. How many witnesses are required for a party signing by mark?"

A signature by mark must be witnessed by at least two witnesses whose signature must be in the original.

"6. If an owner, landlord, tenant, lien-holder, or other interested party is a corporation, will it be necessary for the person signing the Contract or related papers to give his authority for signing such documents?"

If the name of a corporation is given as owner, landlord, tenant, lien holder, or other interested party, it will be necessary for some official of the corporation to sign the contract and/or related papers. Said official should designate the name of the corporation for which he is signing, and indicate his title, such as, president, secretary, cashier, conservator, receiver, liquidating agent, etc. The signature of the official of a corporation need not be witnessed, but the corporation's seal should be affixed to the instrument.

"7. If two or more individuals appear as owner, landlord or tenant, what is an acceptable signature?"

Where two or more individuals are given as owner, landlord, or tenant and it appears from the name as given on the contract that the case is one of a bona fide partnership, the signing of the firm's name by one of the partners as "Jones and Smith, by John Smith, a partner" may be accepted if the

partnership is to be included as a payee on the benefit check. If the partnership is not to be included as one of the payees, the signing of the firm's name must be witnessed. For example, "Jones and Smith, by John Jones, a partner" will be accepted if properly witnessed, but the signature of John Jones only, without the partnership name being indicated, will not be accepted. If it is not apparent that there is a bona fide partnership, the signature of each person whose name appears as an owner, landlord, or tenant is required and it must be witnessed, unless the check is to be drawn in favor of such owner, landlord or tenant.

"8. If a signature is that of an agent acting for the owner, landlord, tenant, lien-holder or other interested party, is such signature acceptable?"

The signature of an agent acting for an owner, landlord, tenant, lien holder, or other interested party may be accepted only when accompanied by evidence that such agent is authorized to act in such capacity, unless the principal is to be included on the benefit check as a payee. Such evidence may be in the form of an affidavit by the principal, power of attorney, or, in the case of a trustee, a certified copy of the court order of appointment.

"9. If the land covered by the Contract is State land or Indian land, what will be the requirements for the owner's signature?"

If the contract covers State land, said contract may be signed by the official of the State in charge of such land. It will be necessary that there be submitted evidence of the authority of the State official to so act and payment will then be made to such official in his official capacity. In case of Indian land the contract may be signed by the competent Indian owner, provided there is submitted evidence of his competency, and payment will be

made to the competent Indian. If the Indian owner is incompetent the contract will be signed by the superintendent having authority to sign for said incompetent Indian owner and payment will be made in such a case to the superintendent in his official capacity. It appears that the authority of the superintendent to act for an incompetent Indian owner may be obtained from the Office of Indian Affairs, Department of the Interior.

"10. If the signature required is that of an estate, minor, or incompetent, what would be an acceptable signature?"

If the case involves an estate, minor, or incompetent, the contract involved should be signed by the executor, administrator, trustee, guardian, or committee, and proof of such office must be furnished by submitting a short certificate of letters testamentary or of administration, a certified copy of appointment of the trustee, or a short certificate of the appointment and qualification of the guardian or committee, together with a showing that said letters or appointment are still in effect. In lieu of the signature of an executor or administrator of an estate, the signatures of all heirs of the estate will be accepted, provided such signatures are accompanied by an affidavit certifying that the heirs whose signatures are affixed are all the heirs to such estate.

"11. In whose name should a check be drawn when the payee is a corporation or a firm?"

If a corporation or a firm is entitled to the benefit, the check should be drawn in favor of the corporation or the firm, and not in favor of an officer of the corporation or an individual member of the firm.

"12. In whose name should a check be drawn when the payee is an estate?"

When an estate is entitled to a benefit payment the check should

be drawn in favor of the properly constituted authority of such estate, such as, the executor or administrator.

"13. In whose name should the check be drawn when the payee is an individual for whom some other person is acting as trustee, guardian, or agent?"

Where the benefit is payable to an individual for whom some other person is acting as trustee or guardian, the check should be drawn in favor of the trustee or guardian, as such. However, where the benefit is payable to an individual for whom some other person is acting as agent, the check should be drawn in favor of the principal. See instructions contained under question 8, supra, relative to the signature of an agent.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

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DECISION OF THE COMPTROLLER

CAAA-27

November 2, 1933.

There is hereby established a Claims Section in the Audit Division, Office of the Comptroller, Agricultural Adjustment Administration.

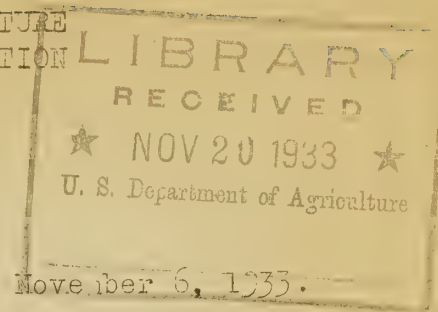
Any case involving a doubtful question of law or fact or the weighing of evidence, including, but not restricted to, those cases involving amounts due a decedent's estate or heirs and the class of cases covered by Series 1, Supplement 1, of Cotton Regulations, will be forwarded to the Claims Section for settlement. There will also be forwarded to the Claims Section the classes of cases which decisions of the Comptroller of the Agricultural Adjustment Administration have directed or may hereafter direct should be settled as claims. If payment in the case has been made upon certification in the audit and there is thereafter received correspondence relative thereto, such correspondence, together with the complete case file, will be forwarded promptly to the Claims Section for action thereon. This will include all cases where it is alleged in the correspondence that the amount paid is greater or less than should have been paid.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

DECISION OF THE COMPTROLLER



CAAL-28

For the guidance of the Audit Division, Agricultural Adjustment Administration, there is set forth the following circular letter issued to all county agents in Cotton-Producing States under date of October 27, 1933, by the Director of Extension Work, Department of Agriculture, and approved by the Administrator, Agricultural Adjustment Administration:

"The attention of county agents is called to a circular letter signed by G. L. Hoffman, Executive Officer of the Farm Credit Administration, addressed to all Regional Managers, in which he states:

"My attention has been called to the fact that the name of the Governor of the Farm Credit Administration has been included as a joint payee on many cotton acreage-reduction checks where farmers are not indebted to the Regional Agricultural Credit Corporation, the Federal Intermediate Credit Division, the Federal Land Banks, or the Crop Production Loan Office.

"In such instances, Field Agents of this Office, under instructions issued to them, have refused to endorse such checks.

"Please authorize all of your Field Agents to endorse such checks after ascertaining that the name of the payee on the check does not appear on any list of the aforementioned units of the Farm Credit Administration."

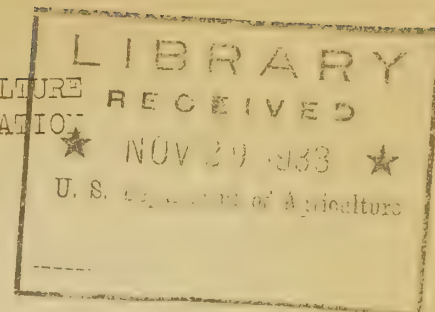
It is to be noted that the authorization to endorse checks has been given to field agents of the Farm Credit Administration and not to field agents of the Agricultural Adjustment Administration.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

DECISION OF THE COMPTROLLER



CAAA-29

November 6, 1933.

The following circular letter was issued to all county agents in Cotton-Producing States under date of October 27, 1933, by the Director of Extension Work, Department of Agriculture, and approved by the Administrator, Agricultural Adjustment Administration:

"It has come to my attention that some county agents have been delivering checks where, for various reasons, they were of the opinion that the entire proceeds of the check were not properly payable to the payee. Some of the county agents, in such instances, have been delivering the checks to the payees but requiring said payees to draw their personal checks or obtain postal money orders paying back the excess to the Government.

"Under no circumstances should a county agent deliver any checks of the Disbursing Clerk of the Department of Agriculture to a payee where there is doubt as to the proper amount due. If the agent has evidence before him that the amount of the check is more than should be paid, the check should be returned to the Disbursing Clerk of the Department of Agriculture with a full and complete statement of the facts on which the county agent based his conclusions.

"If the county agent is sure that the payee is entitled to the full proceeds of a check and the producer has a claim for an additional amount, he may deliver the check as drawn and inform the producer that said check may be cashed without prejudice to his right to submit a claim to the Comptroller of the Agricultural Adjustment Administration for such additional amount.

"Where a check has already been released and a refund is necessary, such refund should be in the form of a certified bank check or a postal money order, payable to the Treasurer of the United States, and should be sent to the Comptroller of the Agricultural Adjustment Administration with a full statement of facts."

This letter is quoted for the information and guidance of the Audit Division, Agricultural Adjustment Administration.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

★ NOV 20 1933
Agriculture

DECISION OF THE CONTROLLER

CAAA-30

November 6, 1933.

In my decision of October 25, 1933, CAAA-25, consideration was given the request of the Principal Administrative Officer in Charge, Contract Records Section, Agricultural Adjustment Administration, dated October 21, 1933, for instructions as to the procedure to be followed where there are errors in the Application for Wheat Allotment Contract (Form W-2) and/or the Wheat Allotment Contract (Form W-3).

The request for instructions represented that the errors were in the determination of the base period, the average annual acreage, and/or the farm allotment, the responsibility for which determination is that of the County Allotment Committee. It has now been brought to my attention that the errors referred to are in many instances purely errors in computation on Form W-2, errors in the entry of figures on Form W-3, and errors in the transfer of figures on Forms W-2 and W-3.

Upon consideration of the matter as it now appears, the Contract Records Section is instructed to correct errors in computation on Form W-2, errors in the entry of figures on Form W-3, and errors in the transfer of figures on Forms W-2 and W-3 in those cases where the errors are apparent and such corrections can be made from the data furnished. In cases where corrections cannot be made in the Contract Records Section, nor the errors clarified by correspondence, Forms W-2 and W-3, together with any other necessary papers, should be returned to the Secretary of the Wheat Production Control Association

of the particular county involved for correction or clarification of such errors.

The decision of October 25, 1933, supra, is modified to conform with the instructions contained herein, based on the new facts presented.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

DECISION OF THE COMPTROLLER

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★ NOV 20 1933 ★
U. S. Department of Agriculture

CAAA-31

November 6, 1933.

There has been presented for consideration a question as to the effect to be given the affirmation clause on page 4 of the Wheat Allotment Contract (Form W-3). The submission involves contract 42-067-231, entered into with David S. Lorensen, Onawa, Iowa.

Under date of September 7, 1933, the above named producer submitted an application on Form W-2 to reduce the wheat acreage for the crop years 1934 and 1935 on a farm owned by him and situated four miles northwest from Onawa on Rural Route No. 3, Ashton Township, Monona County, Iowa. In recommending acceptance of the application the County Allotment Committee certified the farm allotment in this case to be 793 bushels. The application and recommendation with respect thereto were accepted and the contract in question is signed by David S. Lorensen, whose signature is witnessed in the space provided therefor by Kent Craford, a member of the County Allotment Committee. The affirmation clause recites that David S. Lorensen appeared in person and swore to the truth, to the best of his knowledge and belief, of the statements contained in the application and contract, and it is signed by the said David S. Lorensen in his capacity as a member of the Community Committee.

There does not appear any authority for a member of a Community Committee, as such, to administer an oath or take an acknowledgment or affirmation. Therefore, when the purported affirmation on page 4 of Form W-3 is signed by a member of the Community Committee, as such, it is in effect no more than a

witnessing or re-witnessing of the signature or signatures of the person or persons named in the purported affirmation, who should be the person or persons signing the contract as owner, landlord, and/or tenant. It is to be noted that in signing a wheat allotment contract a producer alleges under paragraph 15 thereof that the statements contained in said contract are true to the best of his knowledge and belief. This allegation is as effectual as the purported affirmation.

In view of the foregoing, it is concluded that the only purpose the clause in question may serve under the circumstances is as a substitute for the omission of the signature of a witness, when required, in the space provided therefor opposite the space for the signature of the owner, landlord, or tenant, provided, of course, the owner, landlord, or tenant is named in said clause.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

DECISION OF THE COMPTROLLER

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U. S. Department of Agriculture

CAAA-32

November 6, 1933.

There has been presented a question as to what action should be taken in connection with the refusal of Jack P. Everett, Jonesville, Texas, to endorse the benefit check issued under cotton reduction contract 74-102-1818.

On July 7, 1933, the above named producer submitted to the Secretary of Agriculture an offer to take out of production 15 acres of the 1933 cotton crop on a farm owned and operated by him two miles north of Jonesville on Jefferson Highway in Harrison County, Texas, for a cash payment of \$11 an acre, based on an estimated yield of 225 pounds of lint cotton per acre, and 6.75 bales of option cotton. Under article 3 of the offer the producer indicated that the crop involved was subject to a lien for rent in favor of Smith and Lindsey, Jonesville, Texas, and it was stipulated in said offer that the cash benefit was to be paid jointly to the producer and the lienor. This offer was accepted by the Secretary of Agriculture and the certificate of performance shows that the contracted acreage has been taken out of production.

By letter dated September 23, 1933, Smith and Lindsey reported that they have a lien on the producer's half interest in his 1933 cotton crop for merchandise furnished him to make such crop and that the producer refuses to endorse and deliver the benefit check to them so that they may obtain said producer's one-half of the proceeds of the check to satisfy the lien for merchandise as well as their one-half of such proceeds to cover their lien for rent.

If one of the payees of a benefit check persists in his refusal to endorse,

the other payee or payees thereof will be unable to obtain their share or shares of the proceeds, inasmuch as a check cannot be negotiated without all required endorsements thereon. Therefore, where a payee refuses to endorse a benefit check the county agent should obtain such check and return it to the Disbursing Clerk of the Department of Agriculture with a complete statement of the facts involved. Said Disbursing Clerk will then refer the matter to the Comptroller of the Agricultural Adjustment Administration for settlement.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

DECISION OF THE COMPTROLLER

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CAAA-33

November 16, 1933.

There has been submitted the question whether payment of cotton benefit may be made to Honorable Daniel C. Roper under cotton reduction contract 56-035-813, entered into under authority of the Agricultural Adjustment Act of May 12, 1933, as amended. The doubt in the matter arises from the fact that said producer was at the time the contract was entered into, and still is, serving as an official of the United States Government in the capacity of Secretary of the Department of Commerce.

The evidence discloses that on July 12, 1933, Daniel C. Roper by his agent, W. N. McKenzie, submitted an offer to take out of production in 1933 thirty-five acres of cotton on a farm owned and operated by the said Daniel C. Roper and located two miles south from Tatum on Red Bluff Road in Marlboro County, South Carolina. The offer specified a cash payment of \$17 per acre, based upon an estimated yield of 250 pounds of lint cotton per acre, or a total sum of \$595 for the thirty-five acres embraced within the offer. Under article 3 of said offer it was indicated that the crop involved was subject to liens in favor of John McInnis and Company and a tenant, W. D. McLean. The Secretary of Agriculture accepted this offer and there thus resulted a binding contract between the United States and the producer. See United States v. New York and Porto Rico Steamship Company, 239 U. S. 88. The evidence also discloses that there is attached to the certificate of performance a waiver signed by the above named lienors in which they agreed that the Secretary of Agriculture or his agents may deal with the producer as if he were the sole party having interest in the cotton land or

crop covered by the contract. The certificate of performance is signed "Daniel C. Roper by W. N. McKenzie, Agent," and establishes that the contracted acreage has been taken out of production.

Section 114 of the act of March 4, 1909, 35 Stat. 1109, provides as follows:

"Whoever, being elected or appointed a Member of or Delegate to Congress, or a Resident Commissioner, shall, after his election or appointment and either before or after he has qualified, and during his continuance in office, directly or indirectly, himself, or by any other person in trust for him, or for his use or benefit, or on his account, undertake, execute, hold, or enjoy, in whole or in part, any contract or agreement, made or entered into in behalf of the United States by any officer or person authorized to make contracts on its behalf, shall be fined not more than \$5,000. All contracts or agreements made in violation of this section shall be void; and whenever any sum of money is advanced by the United States, in consideration of any such contract or agreement, it shall forthwith be repaid; and in case of failure or refusal to repay the same when demanded by the proper officer of the department under whose authority such contract or agreement shall have been made or entered into, suit shall at once be brought against the person so failing or refusing and his sureties, for the recovery of the money so advanced."

The Agricultural Adjustment Act does not contain any provision either modifying or repealing the above quoted section. Therefore, it is apparent that under existing law there is no authority to enter into a cotton reduction contract with a Member of or Delegate to Congress, or a Resident Commissioner, nor may a benefit payment provided for in the Agricultural Adjustment Act be made to such a Member, Delegate, or Resident Commissioner under such a contract.

Section 41 of the Federal Criminal Code, 35 Stat. 1097, specifies as follows:

"No officer or agent of any corporation, joint-stock company, or association, and no member or agent of any firm, or person directly or indirectly interested in the pecuniary profits or contracts of such corporation, joint-stock company, association, or firm, shall be employed or shall act as an officer or agent of the United States for the transaction of business with such corporation, joint-stock company, association, or firm. Whoever shall violate the provision of this section shall be fined not more than \$2,000 and imprisoned not more than two years."

While section 41, supra, does not prohibit an officer or employee of the United States contracting with the Government if the officer or employee does not at the same time act as agent for the Government in negotiating or signing the contract, it is intended to prohibit officers or employees of the United States acting for both the Government and the contractor in contracting with the Government.

There is no statute prohibiting generally contracts between the Government and its officers or employees, unless the service to be rendered under the contract is such as could have been required of the officer or employee in his official capacity. Under such circumstances the contract for additional compensation would be in contravention of sections 1764 and 1765, Revised Statutes. Obviously, it cannot be contended logically that the obligations imposed on the Secretary of Commerce by the contract in question are such as are required of him in the performance of his official duties, nor did the negotiation of the contract in any way involve the department subject to his control.

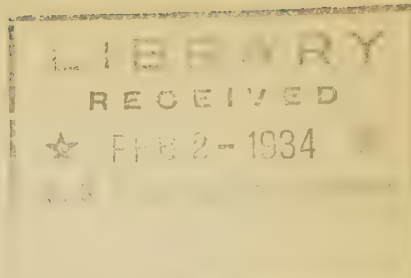
The successful accomplishment of the purposes of the Agricultural Adjustment Act is dependent upon the wholehearted cooperation of producers. The fact that a producer is also an officer or employee of the United States should not prevent such a producer from aiding the Government to relieve the existing economic emergency, which without the cooperation of all citizens in the United States might undermine the entire social structure of the Nation. As a matter of fact, officers and employees of the United States should be the first to offer their cooperation and thereby set an example for others to follow. Certainly, it cannot be said that a contract entered into with an officer or employee of the United States under such circumstances is subversive of public policy.

In view of the foregoing, it must be held that no objections may be interposed to the contract under consideration and that Honorable Daniel C. Roper is entitled to the full consideration stipulated therein.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D.C.



DECISION OF THE COMPTROLLER

CAAA-34

November 17, 1933.

The following circular letter was issued to Extension Directors, Supervisors, and County Agents in the Cotton-Producing States under date of November 17, 1933, by the Director of Extension Work, Department of Agriculture, and approved by the Administrator, Agricultural Adjustment Administration:

"There has arisen a question as to the manner in which County Agents should be reimbursed for postage stamps and registration fees in connection with the handling of checks of the Disbursing Officer of the Department of Agriculture.

"County Agents will be reimbursed for the actual amount expended on account of postage stamps and registration fees required to be paid. The County Agent will keep a daily record of the amount expended and the name of the person to whom the communication was sent that required either postage and/or registration.

"Reimbursement will be made on an itemized statement, sworn to by the County Agent who expends the funds upon his signing the reimbursement voucher."

This letter is quoted for the information of the Audit Division, Agricultural Adjustment Administration.

(Signed) John B. Payne
Comptroller.

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AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

DECISION OF THE COMPTROLLER

CAAA-35

November 21, 1933.

The Rental and Benefit Audit Section, Agricultural Adjustment Administration, has presented for consideration certain questions in connection with the payment of benefits under wheat allotment contracts.

The questions and answers thereto are as follows:

1. How many witnesses are required to a signature by mark, a carbon impression of a signature, the affixing of a signature by typewriter, or impressing a signature with a rubber stamp where the person so signing is to receive a benefit check?

If the person signing by mark is to receive a benefit check, one witness to such signature on either the Application for Wheat Allotment Contract (Form W-2) or the Wheat Allotment Contract (Form W-3), but not necessarily on both, will be sufficient. Also, one witness to a carbon impression of a signature, the affixing of a signature by typewriter, or impressing a signature with a rubber stamp on either Forms W-2 or W-3 will be sufficient if the person so signing is to receive a benefit check.

2. How many disinterested members of the Community and County Allotment Committees are required to sign the certifications on the Application for Wheat Allotment Contract (Form W-2)?

It appears that in a number of instances a member of the Community Committee signs the Application for Wheat Allotment Contract (Form W-2) and Wheat Allotment Contract (Form W-3) as an interested party. In other words, a member of the Community Committee is a party to the contract and there is,

therefore, only one disinterested member of the Committee signing the certification on Form W-2. In view of the existing emergency which requires that these benefit checks be issued to wheat growers without any unnecessary delay, it has been concluded with respect to all wheat allotment contracts that the signature of only one disinterested member of the Community Committee and the signatures of two disinterested members of the County Allotment Committee will be required to the certifications on Form W-2.

3. Is a corporation seal required on Form W-2 and/or Form W-3 where said forms are executed by an agent in charge of a branch office of the corporation, it appearing that the seal is kept in the home office?

In those cases where a corporation has branch offices and it is impracticable to obtain the seal of the corporation on the documents signed by the agents in charge of the branches, a general authorization from the home office of the corporation designating the persons in the various branch offices authorized to sign contracts on behalf of the corporation will be accepted, provided said general authorization is signed by a proper official of the corporation and bears the corporate seal.

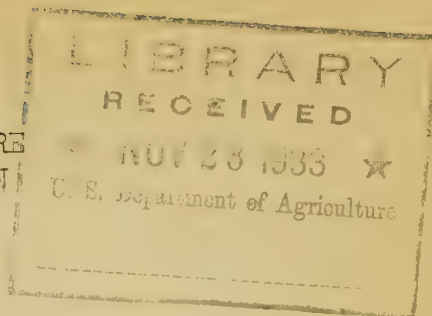
4. In making payment under a wheat allotment contract, should evidence be required of the authority of an interested agent, such as a tenant, to sign for the principal?

Where an interested agent, such as a tenant, signs a wheat allotment contract for the principal, and the authority of the agent to so sign is not shown, payment thereunder may not be made unless and until there is received in the Agricultural Adjustment Administration evidence of the authority of an interested agent to sign for the principal.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



DECISION OF THE COMPTROLLER

CAAA-36

November 22, 1933.

The Chief of the Contract Records Section, Agricultural Adjustment Administration, submitted for consideration the following memorandum dated November 18, 1933:

"There are numerous instances in which a farm is owned jointly by two or more persons and one of these joint owners operates the farm as a tenant. In such cases the division of payment is not always definitely indicated. For example, on page 3 of Form W-2, the respective shares to landlord and tenant may be shown as 50% to owner and 50% to tenant, while on Form W-3 and on page 4 of Form W-2 a division of 25% to one owner and 75% to the tenant who is also a part owner; the respective shares shown on page 3 of Form W-2 may be 50% to landlord and 50% to tenant, while on page 4 of Form W-2 and on Form W-3 the percentage division of payment may be indicated as 50% to the owner who is not the operator and 50% to the owner who is also the operator; another variation is for the shares to be indicated on page 3 of Form W-2 as 50% to the landlord and 50% to the tenant, while on page 4 of Form W-2 and Form W-3 the percentage divisions indicate that 100% is to go either to the two producers jointly, or solely to one of the joint producers. A further variation is for the ownership to be indicated by a definite acreage to each individual. There are numerous variations to such situations. Quite often the arrangement is a family affair in which there is no definite division of the crop.

"It would facilitate the handling of such cases when there is doubt as to the respective divisions of payment if the producers be considered co-producers and a joint check be given to the parties concerned. This procedure would protect the respective interests of all parties."

In view of the facts stated in the above quoted memorandum and in order to protect fully the interests of all parties involved, it has been concluded to draw the check jointly in favor of a landlord and tenant in any case where the division of an adjustment payment under a wheat allotment contract cannot be determined because there is doubt as to the correct share basis existing between such landlord and tenant.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

DECISION OF THE COMPTROLLER

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November 23, 1933.

CAAA-37

There has been received from the Chief of the Contract Records Section, Agricultural Adjustment Administration, the following memorandum dated November 17, 1933, in which there is submitted for approval a proposed procedure for making divisions of adjustment payments under certain wheat allotment contracts:

"On November 13, 1933, a suggested plan of handling fractions was submitted. This suggested plan should be modified somewhat so as to prevent an over-payment or an under-payment on a contract, and so as to prevent an over-payment or an under-payment to any payee of an amount of \$1.00 or more. The suggested plan as modified, would read as follows:

(1) Percentage divisions of payment. If the percentage divisions of payment cannot be expressed exactly in tenths and if, when expressed to the nearest tenth, the divisions do not total exactly 100 per cent, then an adjustment will be made in the highest indeterminate division, or if equal indeterminate divisions in the last one, so that the total will exactly equal 100 per cent. For example, a division of $1/3$, $1/3$, and $1/3$ will be expressed as 33.3%, 33.3%, and 33.4%; a division of $2/3$ and $1/3$, as 66.7% and 33.3%; a division of $1/6$, $1/6$, and $2/3$ as 16.7%, 16.7%, and 66.6%. The amount due each payee will be calculated on the basis of the adjusted percentages shown, except when the total amount due under the contract exceeds \$1,000 and the percentage division as shown would result in an over or under payment to any payee. In such cases the percentage division would be shown as indicated above but the calculation of the amounts due each payee would be made by using the exact fractional divisions.

(2) Fractional cents. In calculating the total payment and divisions thereof, fractions of $1/2$ cent or less will be dropped and fractions of more than $1/2$ cent will be considered as whole cents. If, under this method of handling, the sum of the divisions of payment does not equal the total payment due under the contract, then an adjustment will be made in the last indeterminate payment so that the sum of the divisions of payment will exactly equal the total payment.

"The advantages of this suggested method of handling fractions cannot be expressed in dollars and cents. Relative costs of handling under this, or

under some alternative plan, cannot be estimated as it is impossible to determine the frequency with which various situations may occur, the relative number of errors that might require correction, or the cost of handling special accounts set up to balance fractional payments not allowed.

Discussion of Plans

"(1) Per cent divisions of payment. Under the suggested plan the percentage divisions of payment will always equal 100 per cent. The percentage division of payment and the average production are entered on the punch card. Calculations of the allotment, the total payment, and the amount payable to each payee are made on the Multiplier from these entries. This process is entirely mechanical. The checking of these figures by comparison to those computed by hand for each contract not only verifies calculations secured under the two methods, but verifies the entries of the percentage division of payment and the average production as entered on the cards. Under this plan a division of $1/3$ expressed as 33.3% for an individual would result in an under-payment of 3 cents for each \$100 of total payment; if expressed as 33.4% it would result in an over-payment of 7 cents for each \$100 total payment. In no instance of fractional division of payment could there be either an over-payment or under-payment to one individual of more than 10 cents for each \$100 total payment.

"Card Punch Operators punch approximately 115 wheat cards an hour under the present method of handling. Card Punch Verifiers verify a somewhat larger number. If the Multiplier is not used, the number of cards punched and verified per operator would be approximately $2/3$ of this number. This means that whereas the cost of punching and verifying is approximately 1 cent per contract under the present plan, this would be increased to approximately $1\frac{1}{2}$ cents if the Multiplier was not used. The Multiplier computes and enters the computations on the punchcard at a cost of approximately fifteen-hundredths of a cent per card. The punching by hand of these calculations is subject to some error. If an error is found in the Tabulating Unit in proving the divisions of payment to the total, approximately fifteen minutes is required for making a single correction. It is impossible to estimate the frequency with which such errors would occur.

"It will be noted from the above comparison that there would be a quite considerable saving, as well as increased accuracy, in using the method as outlined, rather than an alternative method.

"The advantages of the suggested method of handling would more than offset any injustice that may be done as a result of not dividing payments exactly in accordance to the fractional divisions shown on the Application, except where the amount involved is considerable. In these special cases the additional labor involved is justified in order to secure an equitable division.

"(2) Fractional cents. The plan suggested for the handling of fractional cents provides as equitable a division as is possible and yet neither overpays or underpays the total amount due on the contract. An alternative would be to

drop all fractional cents. Under such alternative plan it would be necessary in order to balance accounts to set up an account of payments not allowed because of fractional cents. The accounting is much simplified if the division of payment of each individual contract is made to balance with the total payment due under that contract. Under the suggested plan it is impossible for an under-payment or over-payment to any payee, because of this reason alone, of more than 1 cent."

Careful consideration having been given the representations contained in the submission, the proposed procedure is approved.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

DECISION OF THE COMPTROLLER

CAAA-38

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November 24, 1933.
U. S. DEPARTMENT OF AGRICULTURE

J. A. Dickey, District Tobacco Agent at Madison, Wisconsin, has requested approval of his action in signing certain tobacco reduction contracts, Wisconsin types 54 and 55, by the use of a rubber stamp facsimile of his signature.

Under date of November 21, 1933, Mr. Dickey certified in writing that the rubber stamp facsimile of his signature had been affixed by him personally to tobacco contracts bearing serial Nos. 8000 to 8120, inclusive; 8122 to 8126, inclusive; 8128 to 8171, inclusive; 8173 to 8185, inclusive; 8187 to 8225, inclusive; 8227 to 8232, inclusive; 8234 to 8292, inclusive; 8294 to 8451, inclusive; 8453 to 8470, inclusive; 8472 to 8547, inclusive, and 9000 and 9001.

Ordinarily where a person signs his name in his own handwriting, such signature is susceptible of proof by the character of his handwriting, and for this reason it is usually regarded as the best evidence. Nevertheless, any symbol adopted as one's signature, when affixed with his knowledge and consent, is a binding and legal signature. The use of a stamp has been held to be a good signature. See 1 Op. Att. Gen. 670.

In matters of this kind there is always the question whether the signature upon which action is to be taken is the signature of the person required to sign. This question as a general rule must be answered by extrinsic evidence. In the case of a disputed signature it is more difficult to fix liability where a stamped signature is used. There is always a possibility of a rubber stamp facsimile of a signature being lost or stolen and,

as a result thereof, being affixed to a document without the knowledge and consent of the person who has adopted said rubber stamp as his signature.

In view of the certification made by Mr. Dickey, no objection will be raised with respect to his use of a rubber stamp in signing the above indicated contracts.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

DECISION OF THE COMPTROLLER

CAAAA-39

December 2, 1933.

The Associate Chief of the Wheat Section, Production Division, Agricultural Adjustment Administration, has requested that the Map of Farm (Form W-8) be disregarded in making the first payment for 1933 under wheat allotment contracts.

It is reported that in numerous instances the data on the map does not coincide with the 1933 crop acreages indicated on the Application for Wheat Allotment Contract (Form W-2), and as a result thereof the making of the first payment in such cases is being delayed.

While one purpose of the map is to assist the Board of Acceptance, Wheat Section, in the consideration of contracts submitted for acceptance, yet the information on the map must be taken into consideration with the 1933 crop acreages in determining the amount of the adjustment payment in any case.

In view of the present emergency, it is imperative that adjustment payments be made to wheat producers without unnecessary delay. Therefore, it has been concluded to authorize the making of the first payment for 1933 under wheat allotment contracts without regard to the map of farm. It is to be understood that this authority is limited to the first payment for 1933 and that before second payment may be made under a wheat allotment contract any discrepancy between the map and the application relative thereto must be reconciled. The submission contains a recommendation that any discrepancy between a map and an application should not require reconciliation unless the wheat acreage shown on the map does not equal at least 54 percent of the average

annual acreage indicated in the application; which recommendation is approved.

(Signed) John B. Payne
Comptroller.

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DECISION OF THE COMPTROLLER

CAAA-40

December 6, 1933.

There has been considered the memorandum dated November 23, 1933, from the Chief of the Contract Records Section, Agricultural Adjustment Administration, as follows:

"Certifications of Performance for Second Payment 1933 have been received for Georgia-Florida Type 62, Tobacco Production Adjustment Contract. This Certification of Performance requires the signature of a tobacco warehouseman. The warehouse is usually a corporation. The signature of the producer is also required. Many of these producers are corporations. These Certifications of Performance have been received without corporation seals affixed. The original contracts were accepted and the Certifications of Performance for the First Payment 1933 were approved and payment made, even though the producer was a corporation and the seal was not affixed on the contract.

"Will you please advise as to whether it will be necessary to return these Certifications of Performance to have corporation seals affixed, or whether the signature of an officer of the corporation will suffice? Will the signature of a bookkeeper, officer, manager, or superintendent suffice for the signature of the warehouseman?"

If a corporation is required by the laws of the jurisdiction under which it is incorporated to have a corporate seal, such seal should be affixed to contracts entered into by said corporation, inasmuch as the affixing of a seal constitutes an attestation to the execution of the instrument. However, it appears that where a corporation submitted a contract covering Georgia-Florida type 62 tobacco said contract was accepted without the corporate seal being affixed thereto and first payment of 1933 was made thereunder on an approved certificate of performance (T-13). In view of the small number of these cases involved (about 147 cases) it has been concluded to authorize second payment of 1933 under contracts executed by corporations and covering Georgia-Florida type 62 tobacco without requiring the corporate seals to be affixed thereto.

In connection with the signing of the warehouseman's certificate on the certification of performance for second payment of 1933 on type 62 tobacco (Form No. AAA-80), it has also been concluded to accept the signature of a bookkeeper, manager, superintendent, or other officer, provided the name of the warehouseman and the title of the officer or employee signing is indicated.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

DECISION OF THE COMPTROLLER

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CAAA-41

December 6, 1933.

There has been received from the Chief of the Contract Records Section, Agricultural Adjustment Administration, the following memorandum dated November 25, 1933:

"Referring to the Georgia-Florida shade grown type 62, second payment certifications, it is found that in some instances the warehouseman also appears as producer. The circumstances accounting for this situation are described in the accompanying Memorandum from E. G. Beinhart, Tobacco Section, dated November 24, 1933. Will it be necessary to secure further certification of the tobacco warehoused?"

The above referred to memorandum from E. G. Beinhart, Tobacco Section, Production Division, Agricultural Adjustment Administration, is as follows:

"Referring to the Georgia-Florida shade grown type 62, second payment certification in which the Warehouseman appears also as Producer, beg to advise that this situation is found quite generally in the Florida Territory, as well as in other territories. The only check up one has on this is the Internal Revenue books, in which the Warehouseman reports his purchases from farmers, and this procedure has been accepted by the government since the establishment of the Internal Revenue.

"In all cases the Warehouseman figures under statement 2 on this second certification were taken from the reports made to the Internal Revenue and are sworn statements.

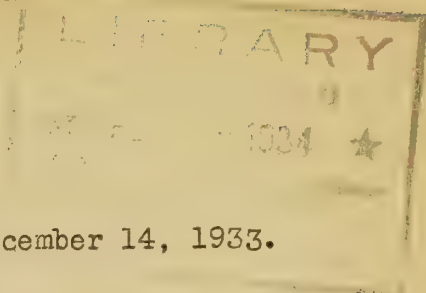
"Under the circumstances it is necessary to accept the Warehouseman as a producer in those cases where such Warehouseman has farms of his own under contract with the Secretary of Agriculture."

In view of the representations contained in the submission, it has been concluded not to require a further certification of the type 62 tobacco which has been warehoused in cases where the warehouseman also appears as producer.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



DECISION OF THE COMPTROLLER

CAAAA-42

December 14, 1933.

The Chief of the Contract Records Section, Agricultural Adjustment Administration, has submitted for consideration the following memorandum dated December 13, 1933:

"We have several hundred cotton contracts in our files which are complete with the exception that we have no statement as to whether or not the producer is indebted to the United States Government.

"I am of the opinion that, where a man has been asked two or three times if he owes the United States Government and he fails to answer when money may be due him, he really is indebted to the Government.

"I would like to clear these cases from our files and authorize that the check be drawn to the producer and to the United States Government. This will be done if the Comptroller's Office will agree to make payment accordingly."

It appears that in these contracts the producers have failed to indicate under article 6 thereof whether they are indebted to the United States and that efforts to obtain this information by correspondence have been unavailing.

In view of the failure of these producers to indicate whether they are indebted to the Government and in order that payments may be made under the contracts in question, it has been concluded with respect to these cases to authorize the drawing of the benefit checks jointly in favor of the producers and the Governor of the Farm Credit Administration. If it develops after the issuance of a check in a particular case that the producer-payee is not on the list of any agency of the Farm Credit Administration, the check will be endorsed by an authorized agent of the Governor of the Farm Credit Administration and delivered to the producer-payee. See circular letter of September 20, 1933, issued by the Director of Extension Work, Department of Agriculture,

CAAA-42

and approved by the Administrator, Agricultural Adjustment Administration.
This procedure will protect adequately the interests of the United States.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

DECISION OF THE COMPTROLLER

CAAA-43

December 27, 1933.

There has been received from the Chief of the Tobacco Section, Production Division, Agricultural Adjustment Administration, the following memorandum dated December 14, 1933:

"Reference is made to decision of the Comptroller of the Agricultural Adjustment Administration dated October 3, 1933, CAAA-13, relative to certifications of performance for first payment of 1933 to George Howard, Lancaster County, Pennsylvania, under tobacco contract bearing serial number 823, type 41.

"In the above cited decision it was concluded as a matter of expediency to accept the performance certifications of the inspectors and the Community and District Committees on Form T-13 in the making of first payments of 1933 under tobacco acreage reduction contracts. It was also concluded that before any additional payments could be made under said contracts it would be necessary that all of the descriptions called for in paragraph 16 of Form T-13 be indicated accurately and in detail.

"The primary purpose of the map of farm was to assist the field representatives of the Agricultural Adjustment Administration in determining the location of 1933 tobacco acreage on a particular farm. It has now developed that in some instances maps of farms were not prepared due to the fact that no tobacco had been planted in 1933 or the 1933 tobacco crop had been entirely destroyed by storm prior to the date of inspection. Consequently, it has been administratively determined that a map should not be required in any case where tobacco was not planted in 1933 or where the 1933 tobacco crop was destroyed by storm or disease. Furthermore, it is to be noted that all information relative to acreage of tobacco for harvest, acreage of tobacco destroyed under the terms of the contract, other contracted acreage idle or in soil-maintenance crops, and other contracted acreage planted as food or feed crops for home consumption is contained in findings 1 to 10, inclusive, on Form T-13.

"It is recommended that second payment for 1933 be made in those cases where no tobacco was grown in 1933 or the 1933 tobacco crop was entirely destroyed without requiring the map of farm."

In view of the administrative determination contained in the above quoted submission, it has been concluded to authorize the making of second

CAAAA-43

payment for 1933 without requiring a plat of farm in any case where no type 41 tobacco was grown in 1933 or the 1933 type 41 tobacco crop was entirely destroyed by storm or disease, provided all information relative to acreage of tobacco for harvest, acreage of tobacco destroyed under the terms of the contract, other contracted acreage idle or in soil-maintenance crops, and other contracted acreage planted to food or feed crops for home consumption is clearly indicated elsewhere on Form T-13.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

DECISION OF THE COMPTROLLER

CAAA-44

December 27, 1933.

The Chief of the Tobacco Section, Production Division, Agricultural Adjustment Administration, has submitted for consideration the following memorandum dated December 13, 1933:

"On those contracts of Type 54 from Minnesota, that have been submitted with only two members of a local or district committee signing, it is suggested that they be accepted and approved for payment. Because of the wide distribution of the tobacco farms in that area it was difficult to establish and maintain local committees comprising three members. We are agreeable to committees of two members. One of our Extension representatives carefully examined and inspected many of the farms in that area, and he examined the contracts himself, which confirms our belief that the performances are complete."

In view of the difficulty set forth in the above quoted memorandum and the fact that the signatures of two members of the Community Committee and two members of the District Committee on the certification of performance for first payment of 1933 (Form T-13) will meet the administrative requirements, no objection will be raised to the acceptance of type 54 tobacco acreage reduction contracts from the State of Minnesota which are signed by two members of each Committee, and payments will be made under such contracts, if otherwise proper.

(Signed) John B. Payne
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

DECISION OF THE COMPTROLLER

CAAA-45

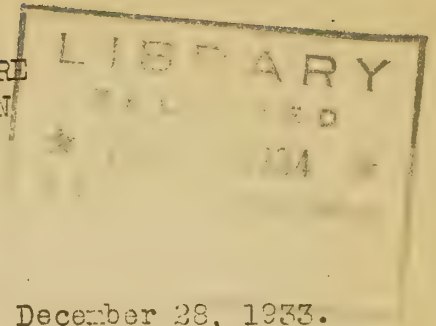
December 27, 1933.

There has been presented for consideration the question whether the Claims Section, Agricultural Adjustment Administration, is authorized to dismiss to the files claims for \$1.00 or less arising under the Agricultural Adjustment Act of May 12, 1933, as amended, without taking action thereon.

When a specific bona fide claim is filed with the Comptroller of the Agricultural Adjustment Administration, the claimant is entitled to action thereon irrespective of the amount involved. Therefore, no claim should be dismissed to the files without action because the amount involved is small.

(Signed) John B. Payne
Comptroller.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



DECISION OF THE COMPTROLLER

CA11-46

December 28, 1933.

There has arisen the question whether the full name of an owner, landlord, tenant, lien holder, or other interested party is required to be inserted on a benefit check issued under the Agricultural Adjustment Act of May 12, 1933, as amended.

It appears that in some contracts received the name of the owner, landlord, tenant, lien holder, or other interested party is being indicated in various ways, such as, (1) the full given name and initial of the middle name, (2) the initial of the given name and the full middle name, (3) the full given and middle names, or (4) the initials of both the given and middle names.

In all cases where the full given name of the person to be made the payee of a benefit check is indicated, the full given name should be inserted as a general rule on the check as well as the initial of the middle name, if any, regardless of the fact that said person signs by using only the initials of his given and middle names. If the full given name is not indicated but the full middle name is, then there should be inserted on the check the initial of the given name and the full middle name. Obviously, if there is no indication of the full given and middle names, the initials of such names should be used in drawing the check.

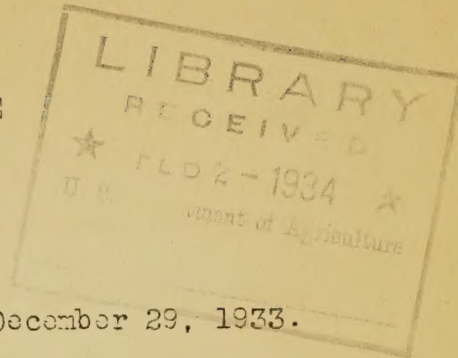
In the event that a compliance with these instructions will require more than the twenty spaces available on a punch card, a contraction of either the given or middle name will be permitted whenever practicable so that the

name will fit the punch card, provided there is placed on the contract a notation to indicate the name as it will be inserted on the check and the reason for the contraction.

(Signed) John B. Payne,
Comptroller.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D.C.



DECISION OF THE COMPTROLLER

CAAA-47

December 29, 1933.

The Supervising Field Auditor of the Agricultural Adjustment Administration at Portland, Oregon, has requested instructions on various questions arising in connection with the marketing agreement for disposal of North Pacific wheat surplus dated October 10, 1933, entered into by and between the Secretary of Agriculture and the North Pacific Emergency Export Association and the members of such association pursuant to the Agricultural Adjustment Act of May 12, 1933, as amended.

The questions presented for instructions and the answers thereto are as follows:

"1. Is the Office of the Supervising Field Auditor, Comptroller's Office, A.A.A., located in Portland, Oregon, justified in securing a certification to the effect that a member of the North Pacific Emergency Export Association, in making claim for reimbursement payment under the terms of the marketing agreement for the disposal of the North Pacific wheat surplus, has incurred expenses for cleaning smutty wheat in the amount claimed by him pursuant to the terms of Exhibit B of said agreement?"

The Office of the Supervising Field Auditor is justified in requiring certificates showing that the smutty wheat, as represented by official inspection certificates, has actually been cleaned.

"2. To what extent is the Office of the Supervising Field Auditor, Comptroller's Office, A.A.A., expected to press the elevators as to losing foul dock on the out-move? Should we let the dock question alone and then toward the termination of the agreement claim screenings?"

We should at all times, if practicable, help promote and maintain the established trade customs in the Pacific Northwest area, in so far as they do not conflict with the terms of the marketing agreement. Wherever the

published tariffs governing the grain trade in Portland, Oregon, cover the above questions, same should control.

"3. Should the members of the North Pacific Emergency Export Association be allowed to deduct from the sales price of wheat and/or flour sold in foreign markets, wharfage and unloading charges on the sack, smut and foul dockage weights as charged by all elevators in the Northwest area?"

We should at all times, if practicable, help promote and maintain the established trade customs in the Pacific Northwest area, in so far as they do not conflict with the terms of the marketing agreement. Wherever the published tariffs governing the grain trade in Portland, Oregon, cover the above questions, same should control.

"4. Is the Office of the Supervising Field Auditor, Comptroller's Office, A.A.A., justified in securing loading and unloading reports from members of the association pertaining to grain handled on account of the association, even though these reports are not customarily furnished?"

Even though these reports are not customarily furnished by the elevators in the Pacific Northwest, such reports are deemed to be essential to promote the functions of the Office of the Supervising Field Auditor.

"5. Is the Office of the Supervising Field Auditor, Comptroller's Office, A.A.A., justified in securing conditioning reports?"

The securing of such reports is deemed essential.

"6. How far should the Office of the Supervising Field Auditor, Comptroller's Office, A.A.A., go in determining whether or not the wheat marketed under the terms of the marketing agreement came from the surplus in the Pacific Northwest area?"

Due to the fact that the Pacific Northwest area, as covered by the marketing agreement, is partially separated from other wheat-producing areas, it is not thought that much wheat from other areas will filter in to the Northwest area. However, it is realized that some wheat from other wheat-producing areas will be marketed under this agreement. Notice was taken of the fact that

wheat from other areas was included in the surplus covered by the agreement, and a provision made for same under Exhibit A, section 2, of the agreement. Therefore, as the agreement is dedicated to removing from the domestic market of the Pacific Northwest a certain surplus of wheat, it logically follows that we would not be subjected to any undue criticism by permitting the wheat so stored in these country warehouses to be marketed under this agreement. This reasoning should not be applied arbitrarily, but the circumstances of each individual case should govern.

"7. Fisher Flouring Mills, located at Seattle, Washington, own approximately one hundred country warehouses in the Pacific Northwest area, and have asked for authority to submit country weight certificates, in lieu of official state weight certificates, in making their claim for reimbursement payments. Should this request be granted?"

It cannot be seen how the circumstances of this situation would justify the handling of this wheat in a manner other than that prescribed by the marketing agreement. Therefore, official state weight certificates are essential.

In connection with item 7 of Exhibit C of the marketing agreement the Office of the Supervising Field Auditor at Portland, Oregon, is within its right, from a practical accounting standpoint, to request the Representative of the Secretary of Agriculture to furnish said office with figures supporting anticipated differential payment on each sale of flour of a grade other than export straight. It is not intended by this supplement to the marketing agreement that the differential on claims for reimbursement payment on sales of such flour shall exceed the differential payment on claims submitted upon proof of sale and shipment of export straight flour made on same date. Therefore, in order for the Supervising Field Auditor to make a proper determination of all such differential claims it is necessary and essential that he have the

figures supporting the anticipated differential payments upon which the consummated sale was based.

(Signed) John B. Payne
Comptroller.